



Tanya E. Schuhmeier
Director, Provider Relations
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July 7, 2015

Subject: Adjustment of Claims for HCPCS Codes Billed with Modifier UD

Dear Provider:

The Department of Health Care Services (DHCS) has directed Xerox State Healthcare, LLC (Xerox) to adjust underpaid claims for HCPCS codes J3490, J3490U5 and J3490U6 and private payer HCPCS codes S4993, S5000 and S5001 billed with modifier UD. These codes were billed for dates of service on or after December 30, 2013, through October 21, 2014. These claims were submitted between November 10, 2014, and February 18, 2015, and erroneously underpaid with *Remittance Advice Details* (RAD) codes **0475: Claims submitted during the seventh through ninth month after the month of service without a valid billing limit exception are reduced to 75 percent of the allowed amount; 0476: Claims submitted during the 10th through 12th month after the month of service without a valid billing limit exception are reduced to 50 percent of the allowed amount; and 0414: Payment was reduced by Medical Review.**

No action is required on your part. Xerox is adjusting the affected claims. These adjustments will appear on RAD forms beginning July 9, 2015, with RAD code **0883: Retroactive price correction.**

If you disagree with any of these adjustments, you may submit a *Claims Inquiry Form* (CIF) within six months of the new RAD date or you may submit an *Appeal Form* within 90 days of the new RAD date. For CIF completion instructions, please refer to the *CIF Completion* and *CIF Special Billing Instructions* sections in the appropriate Part 2 manual or on the Medi-Cal website (www.medi-cal.ca.gov). For *Appeal Form* completion instructions, please refer to the *Appeal Form Completion* section in the appropriate Part 2 manual or on the Medi-Cal website.

If you have questions regarding these adjustments, please call the Telephone Service Center at 1-800-541-5555, option 5, followed by option 6.

Sincerely,

Tanya E. Schuhmeier

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